

Commonwealth of Massachusetts
Board of Public Accountancy
October 15, 2015
1000 Washington Street, Room 1D
Boston, MA 02118

Board Members Present:

Regina D. Hunter, CPA, *Chairwoman*
Mark S. Robinson, CPA, *Secretary*
Randall S. Davis, CPA, *Member*

Board Members Not Present:

Robin Kramer, CPA, *Member*
Open Seat, *Public Member*

Staff Members Present:

James A. O'Connor, *Board Legal Counsel*
Caroline Quan, *Board Staff*
Carol Larkin, *Administrative Assistant to Board*

Call to Order the meeting was called to order at 10:04AM by Chairwoman Hunter.

Housekeeping and Evacuation Procedures

Board Legal Counsel O'Connor discussed the emergency evacuation procedures including a specified meeting location outside the building so all may be accounted for in the event of an actual emergency (the location is the Graybar parking lot across the street from the building's entrance). For the enjoyment and comfort of all attending, locations of restrooms and dining facilities were also reviewed.

General Business:

The Board tabled reviewed the August 20, 2015 and June 18, 2015 meeting minutes. Minutes had been prepared but copies were not available for Board members to review. The minutes will be reviewed at the next regularly scheduled Board meeting.

Meeting with NASBA: *[open session]*

Daniel J. Dustin, CPA, Vice President, State Board Relations appeared to present a NASBA update. His presentation included information on current support services offered to State Boards by NASBA, recent updates to UAA, Definition of Attest, Firm Mobility and UAA Committee Projects.

In addition Mr. Dustin was instrumental in getting quick turnaround of a comparison of UAA and Mass Rules as prepared by NASBA Legal staff for the Boards use and information as it goes thru the process

of regulation review. The Board was pleased to have this information and the Chairwoman thanked him for his efforts in that regard.

Regulation Discussion: 10:30 A.M. – 11:30 A.M.

The Board began its review of the regulations pursuant to Executive Order 562, issued by Governor Baker on March 31, 2015.

Board Legal Counsel O'Connor led the Boards review. Suggested changes to the regulations were made on a copy of the regulations in redline format. Some of the items in the discussion are as followed.

- Business, Law or Accounting Bachelors degree should not mandatory for licensure
- Short form to be adjusted to the 4/10 rule, Regina proposed to get rid of the form altogether
- The removal of the non-reporting license

Amy Pitter President & CEO and Zachary Donah, Director of Governmental Affairs at the Mass Society of CPAs, Inc. were in attendance. Daniel J. Dustin, CPA, Vice President, State Board Relations of NASBA also attended this session.

The Board also discussed the possibility of scheduling an additional meeting in November specifically devoted to regulation; Board staff will attempt to coordinate Board Members schedules. Mr. Dustin offered to return for the November meeting

Review of Application-Deficiencies:

- Review of Short Form Application of David Root [self-employed] *Tabled from 8/20/15*

The Board took the following action:

Mr. Root appeared before the Board. He was advised to provide the Board additional information.

- Review of Short Form Application of Jason Clausen [self-employed]

The Board took the following action:

The Board reviewed the application and advised staff to inform the applicant that additional information is required.

- Review of Non-Reporting Application of Floris Luk [part-time employment]

The Board took the following action:

Application denied. The applicant does not meet requirements.

- Review of E-mail for Al Ismail Application [Applying for a Full-Reporting License]

The Board took the following action:

Board staff instructed to reply in the negative. The person needs to fill out an application to be considered for a full reporting license.

Investigative Conference: *under G.L. c. 112 s. 65C [Closed Session]*

On a motion by Chairwoman Hunter, seconded by Member Davis, the Board voted unanimously to suspend the open meeting pursuant to G.L. c. 112, § 65C to hold investigative conferences:

During the closed session, the Board took the following actions:

- Ernst & Young LLP

The Board voted unanimously to take no action in this matter. Read and filed.

- CAFA Notification – PricewaterhouseCoopers LLP

The Board reviewed the notification and discussed its implications. The Board took no action relative to the notification. Read and filed.

New Cases: *under G.L. c. 112 s. 65C [Closed Session]*

The Board continued to suspend the open meeting pursuant to G.L. c. 112, § 65C to discuss new cases:

During the closed session, the Board took the following actions:

- PCAOB Referral

The Board tabled the PCAOB referrals to a future meeting.

- AICPA Referral

The Board instructed staff to open a complaint and request additional information.

- CA-15-054 [J.A.]

The Board voted unanimously to dismiss the case without prejudice.

- CA-15-051 [S.C.]

The Board voted unanimously to send this case to prosecutions with the recommendation of a fine in the amount of \$1,000.

- CA-15-050 [BC PC]

The Board voted unanimously to dismiss the case with an advisory letter.

- CA-15-053 [S.W.]

The Board tabled this matter to a future meeting when a quorum would be available as one member would need to recuse himself.

The Board ended this closed session only for the purpose of entering into another closed session for a different purpose.

Final Decision and Order *under G.L. c. 30A sec.18 [Closed Session]*

On a motion by Chairman Hunter and seconded by Member Davis, the Board moved to suspend the open meeting pursuant to C. 30A, sec. 18 and go into an executive session to discuss a final decision and Order in regards to (LC). The suspension of the open meeting was taken by roll call vote:

- Ms. Hunter – Aye
- Mr. Davis – Aye
- Mr. Robinson – Aye

The Board continued to suspend the open meeting pursuant to G.L. c. 112, § 65C to discuss a Final Decision and Order:

During the closed session, the Board took the following actions:

- CA-14-037 [L.C.]

The Board determined a fine and sanction appropriate to include in the order.

The Board concluded the session by unanimous roll call vote and continued to suspend the open meeting pursuant to G.L. c. 112, § 65C to conduct 2 settlement conferences:

Settlement Conference *Prosecutor Jenna Hentoff– M.G.L. c. 112 §65C [Closed Meeting]*

The Board continued to suspend the open meeting pursuant to G.L. c. 112, § 65C to conduct Settlement Conferences:

During the closed session, the Board took the following actions

- CA-15-006 [D.D.]

The Board voted unanimously to dismiss the case.

- CA-15-037 [R.A.]

The Board voted unanimously to propose a settlement offer after discussion of the details of the case.

The Board returned to open session.

Reinstatement

In open session, the Board discussed license reinstatements.

During the open session, the Board took the following actions

- Letter dated 9/1/15 from Kenneth Kaplan re: Reinstatement of Voluntary Surrender

Mr. Kaplan appeared before the Board. Board Council O'Connor advised Mr. Kaplan of his right to have the details of his reinstatement request discussed in closed session. Mr. Kaplan so elected to have a closed session.

On a motion by Chairman Hunter and seconded by Member Davis, the Board moved to suspend the open meeting pursuant to C. 30A, sec. 21(1) and go into an executive session to discuss an individual's character rather than competence in regards to (Kenneth Kaplan). The suspension of the open meeting was taken by roll call vote:

- Ms. Hunter – Aye
- Mr. Davis – Aye
- Mr. Robinson – Aye

At the close of the executive session, the Board took a roll call vote and resumed the open meeting.

The Board tabled the request pending further investigation by Board staff.

- Letter dated 9/12/15 from Hsin-Yo Wang re: Reinstatement

The Board voted unanimously to approve reinstatement.

- Letter dated 9/18/15 from Lynn E. Wood re: Reinstatement

The Board told staff to inform Ms. Wood that she needs to apply for reinstatement.

- Letter dated 9/1/15 from Jeffrey M. Karsin re: Reinstatement

The Board approved the reinstatement pending determination that CPE submitted is satisfactory.

Automated CPE Discussion

The Board expressed its support for the new licensing configuration proposed while at the same time expressing unanimous support for the continued random auditing (10%) of license renewals going forward.

Correspondences:

The Board addressed and reviewed the items of correspondence as publicized in its agenda. The correspondence and the Board's action regarding each are as follows:

- E-mail dated 9/3/15 from Holly L. Nelson, SVP re: CPE credit

The Board approved 32 hours of CPE credit.

- Fax dated 9/8/ from Kyle Metayer, CPA re: CPE credit

The Board requires additional information.

- Letter dated 8/17/15 from Ralph G. Picardi re: Entity Change

The Board feels a renewal is not necessary.

New Business:

Open Session for Topics not reasonably anticipated by the Chair 48 hours in advance of meeting

- E-mail dated 10/8/15 from Michele M. Pratt re: Application

The Board instructed staff to look into the denial.

Regulation Discussion:

The Board continued regulation review.

Adjournment

Chairwoman Hunter obtained assurance from the Board's staff that the day's agenda had been completed, and there being no objections, on a motion by Chairwoman Hunter Member Davis seconded by Member Davis, the Board voted unanimously to adjourn the October 15, 2015 meeting at 2:50PM.

Respectfully submitted,

Mark S. Robinson, CPA
Secretary,
Massachusetts Board of Registration of Public Accountancy

List of Documents Used by the Board at the Open Meeting:

Slide presentation dated 10/15/15 from Dan Dustin of NASBA
Letter dated 9/1/15 from Kenneth Kaplan re: Reinstatement of Voluntary Surrender
Letter dated 9/12/15 from Hsin-Yo Wang re: Reinstatement
Letter dated 9/18/15 from Lynn E. Wood re: Reinstatement
Letter dated 9/1/15 from Jeffrey M. Karsin re: Reinstatement
E-mail dated 9/3/15 from Holly L. Nelson, SVP re: CPE credit
Fax dated 9/8/ from Kyle Metayer, CPA re: CPE credit
Letter dated 8/17/15 from Ralph G. Picardi re: Entity Change

List of Documents Used by the Board at the Open Meeting on topics not reasonably anticipated by the Chair 48 hours in advance of meeting:

E-mail dated 10/8/15 from Michele M. Pratt re: Application